



Exco Meeting

September 14, 2021

Exco Agenda

CNS / CEL / KPI Update / Customer Service: Daniel	15 min
Department Updates: All	75 min

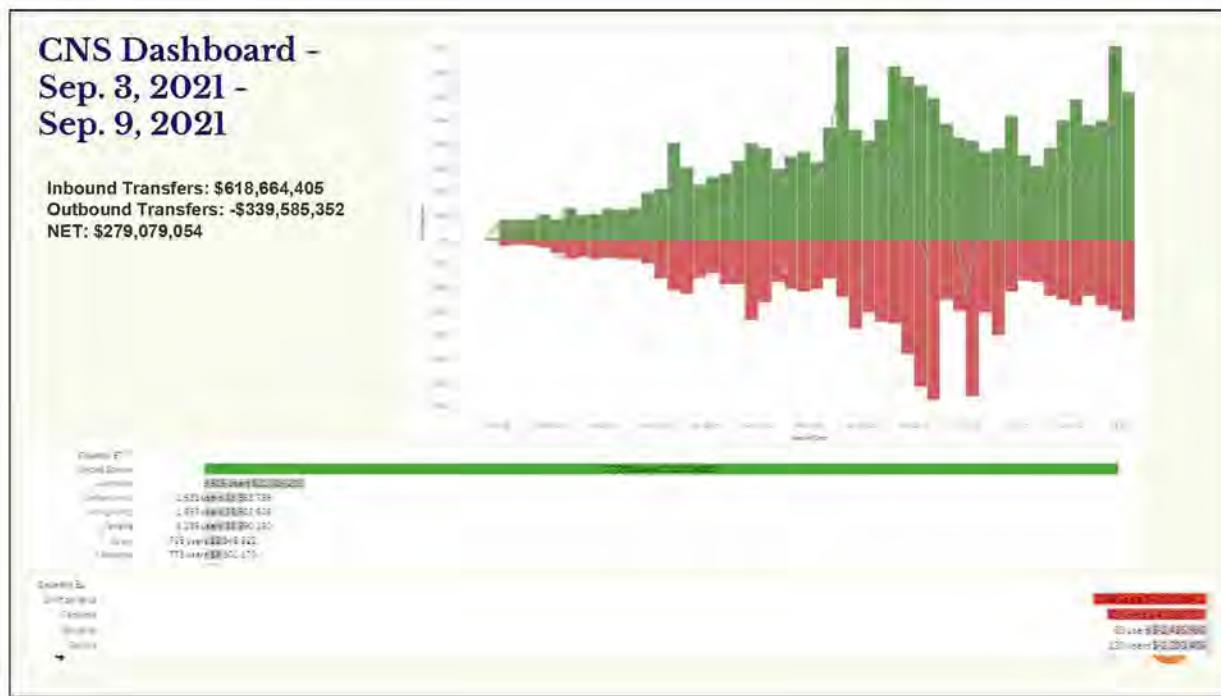
• CFO - Yaron
• Digital Asset Markets - Roni / Yaron
• Retail Lending - Aliza
• Technology / Product / Security - Nuke
• Risk Management - Rodney
• Human Resources - Trushedda
• Marketing / Analytics - Alex
• Business Development / Legal - Roni
• COO / Customer Service - Daniel
• CEO - Alex





Weekly CNS & CEL and Customer Service Updates

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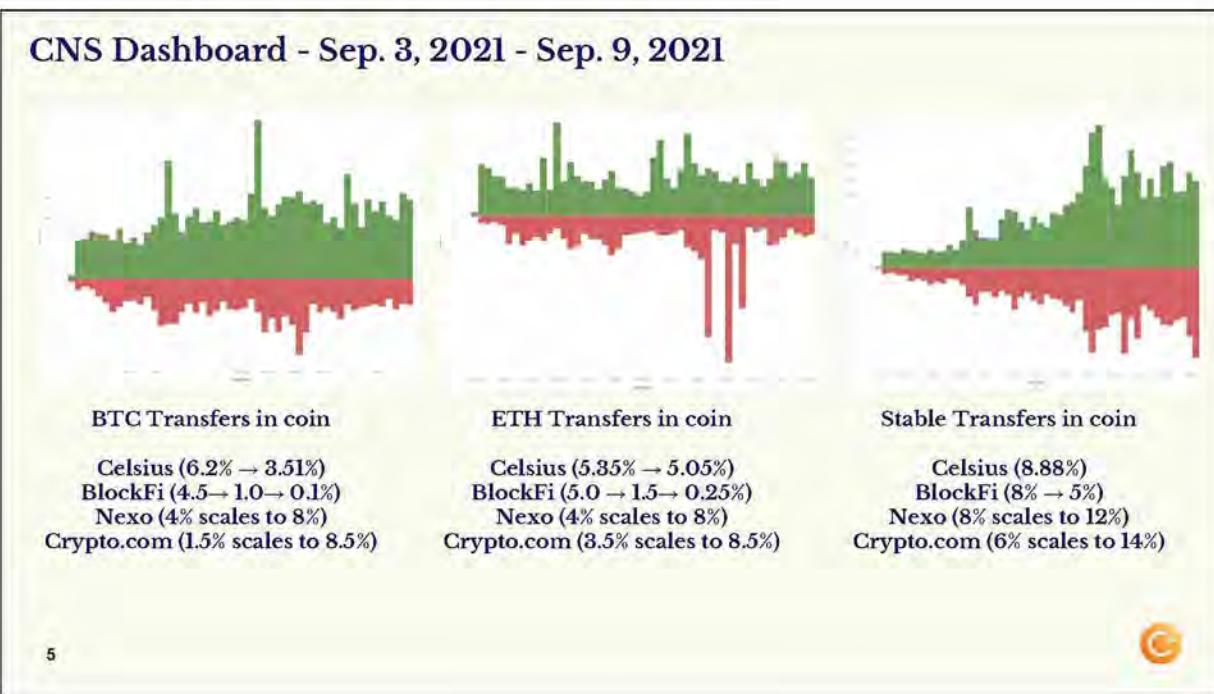


Transfer numbers have and may very well continue to see cool offs as our users have unloaded most of their dry powder between ADA, BlockFi, and BTC run up for the last 2-3 weeks.

While we continue to see higher counts of first time users make their very first transfers, this initial volume is realistically a drop in the bucket → this may change as users build within their first 90 days.

The flash crash will loom over the coming week. While our existing users did not exhibit any panic sell behavior (HODL!), this will undoubtedly taper the hype of fast money, FOMO, and prospective new users as they got hit with a sobering reality of crypto mid bull run.

Last week we were characterized by extreme greed [79], entering this current week we are in heavy fear [sub 40]



ETH and BTC re-emerge as our dominate coins after the initial ADA launch and net inflows/growth were solid last week. Stablecoins do no see this growth.

We continue to see whales and other larger accounts shift assets from stables into more risk on assets. Within our platform, we see instances of Stablecoin taken out and ETH/BTC brought back in soon after → but, this does not capture the vast majority of assets by any means.

Altcoin season is upon us, and non-appreciating assets may be moving in favor of catching waves like Solana which we may not offer.

CNS Dashboard - Sep. 3, 2021 - Sep. 9, 2021

NET Positive Transfers: BTC (\$126.8M), ETH (\$84.4M), ADA (\$53.3M), LINK (\$9.4M), MATIC (\$8.3M)
 NET Negative Transfers: CEL (-\$8.7M), Stablecoins (-\$6M)



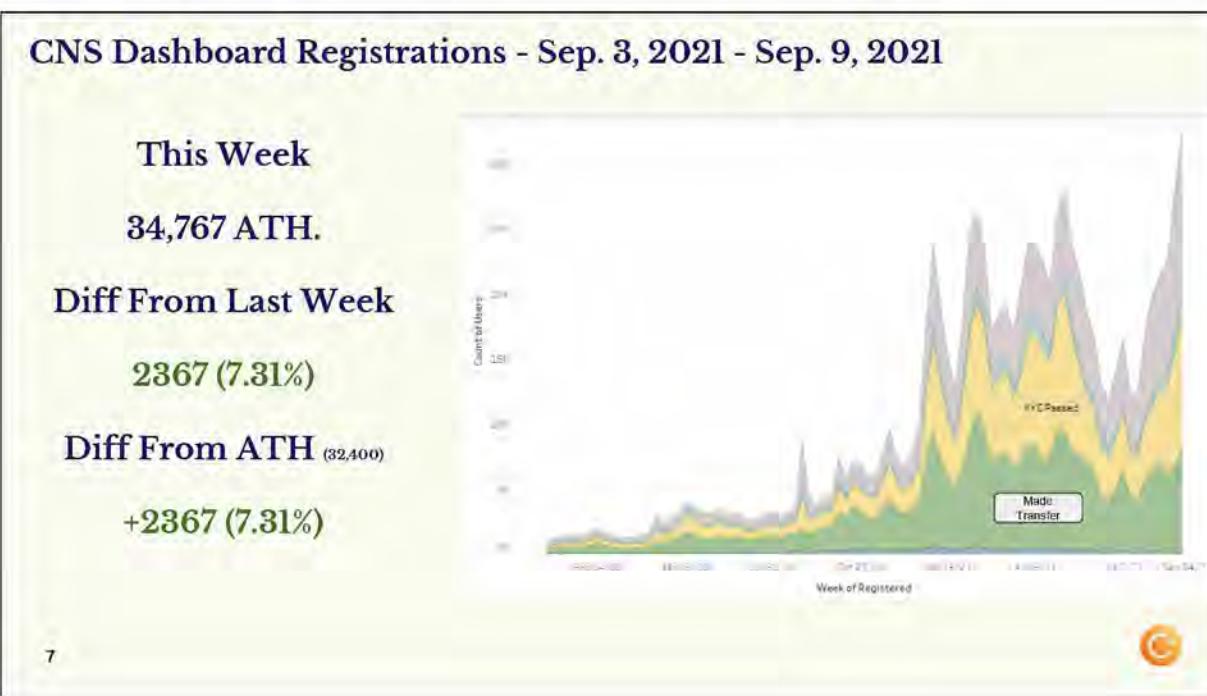
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ADA continues to see assets trickling in which is surprising realistically given the fact that we don't even offer the highest rates out there. Testament that our brand, community, and trust in the long term has the potential to overcome financial optimization → should look into demonstrating more value add with ADA like loans as we continue to explore upping rates based on deployability.

Other indications of alt coin rise can be seen in some of the best LINK and MATIC weeks we've had in a long time.

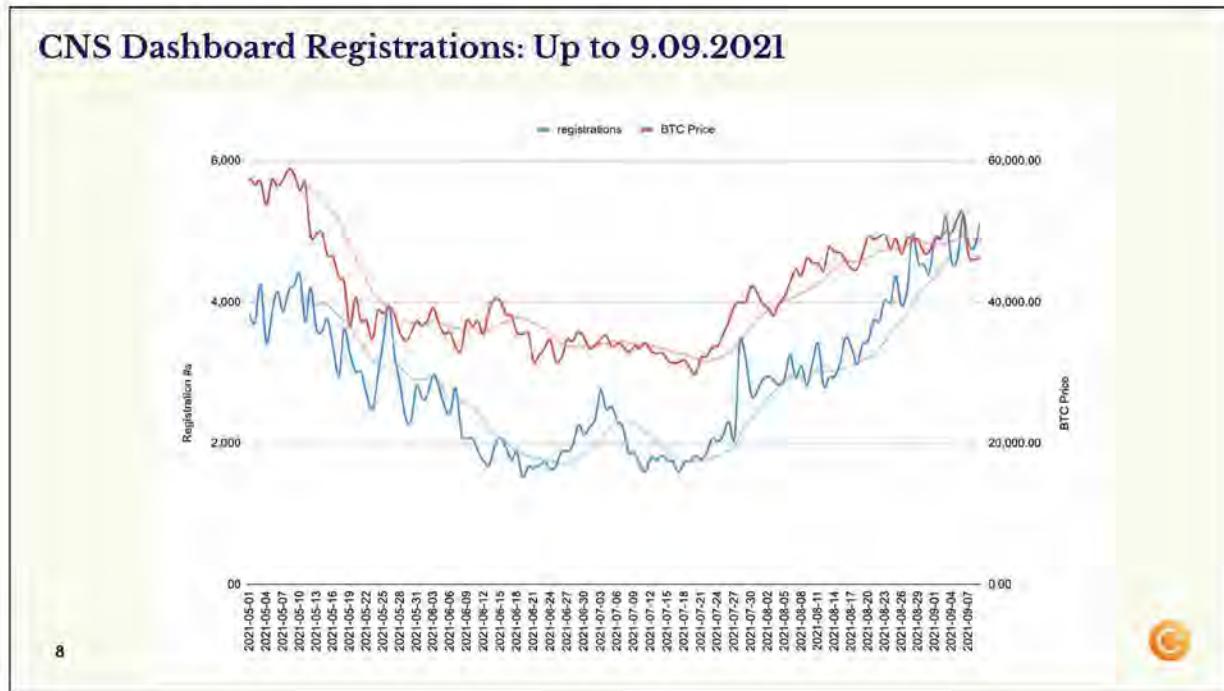
Again to call out that stables have actually been negative. Despite record # of users bringing in stables due to promo codes, large accounts are pushing dollar value negative by sheer size of transfers. (Example, Voyager taking out 70mil stable and bringing in 166 mil in ETH) - over the weekend (not reflected in this chart).



Despite transfers dropping, registrations continue to push past and into all time highs. Even though there are issues and FUD around promo/referrals → the proportion of users coming in through referrals is rather consistent at around 38-42% on any given week.

Our registration numbers tend to lag the market slightly so these numbers are reflective of the afterglow of BTC pushing 50k pre El Salvador day flash crash. Moving into next week, we should expect and anticipate us to fall from this new peak. We will do our best to mitigate, but there is a ton of fear in market that plays into new registrant's decisions. Let's have realistic expectations moving into next week.

CNS Dashboard Registrations: Up to 9.09.2021



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As we experience the flash crash we can see that perhaps the deciding factor of "will i enter the market" is extremely contingent on external price/market sentiment driven factors. The coefficient or amplifier of "who should I choose/use" is what we have been building up to be stronger and stronger.

Looking back, We've experienced over a month of continued WoW increases in registration numbers that have tracked with the market. However, we at this point have been drastically outperforming the market.

Broad Market Resurgence: Revived Sentiment and risk-on behavior

During down markets we built our brand such that our brand becomes a stronger amplifier during bull-runs for new user/competitive acquisition:

Cel By the Numbers, 1M Users, 21B AUM → Trust Transfers and Registrations

Announced Mining, Chainlink, Proof of Community, ADA, LUNA, BNB, Loans in Cali, Swap, etc. → Built partnerships, bridged, and our platform

Competitors dropping the ball → BlockFi

New Loans - Sep. 3, 2021 - Sep. 9, 2021

Count This Week

2212 new loans ATH!
1136 NET

Diff From Last Week

170 new loans (8.33%)
131 NET (14.17%)

Diff From ATH (2053,1267)

159 new loans (7.74%)
-131 NET (-10.34%)

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Gross new loans hit all time highs are more users may be trying to take advantage of the then rising markets. Over the past weeks we have seen the proportional rise of loan closures which cut into the net loan numbers. Further research should be conducted into these loan closures to see if these are simply a function of loan terms coming to an end, or user experimentation, etc.

New Loans - Sep. 3, 2021 - Sep. 9, 2021

USD This Week

\$25,050,826 new loans
\$14,748,928 NET loans

Diff From Last Week

-\$4,639,195 new loans (-15.63%)
-\$4,858,567 NET (-24.78%)

Diff From ATH (\$39,172,443...\$34,798,511)

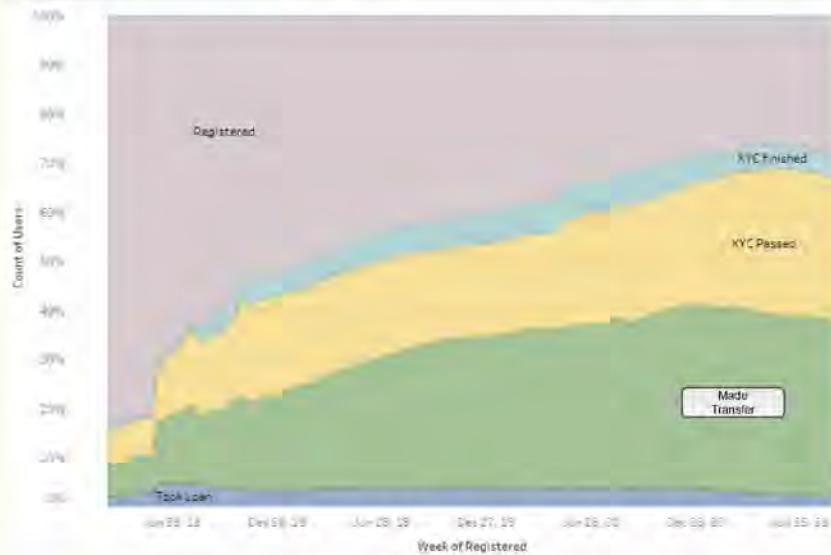
-\$14.12M new loans (-86.05%)
-\$20.05M NET (-57.62%)

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Despite a rise in the count of new users taking loans, the USD value of these loans week over week has decreased, tho still positive and comparatively at a stable "higher high" compared to our May-June dips. HIGH VALUE CLOSURES. This is both a function of certain larger loan closures as well as smaller sized gross loans opening.

Cumulative User Funnel Conversion Rate Over Time



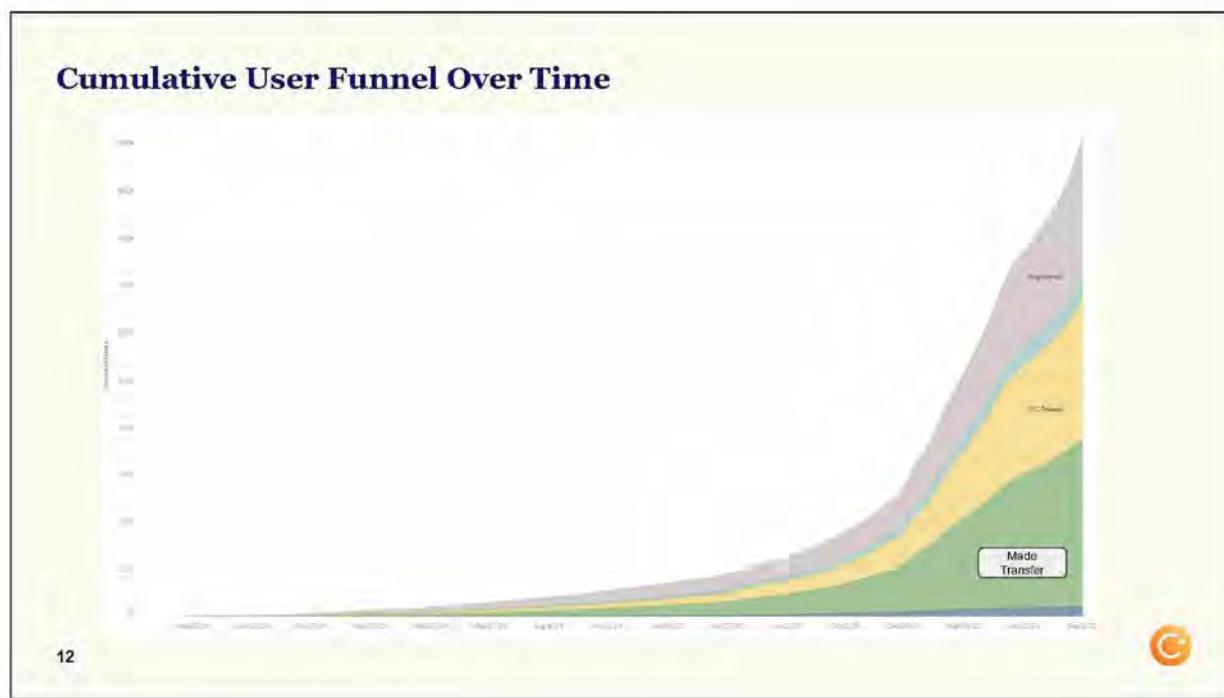
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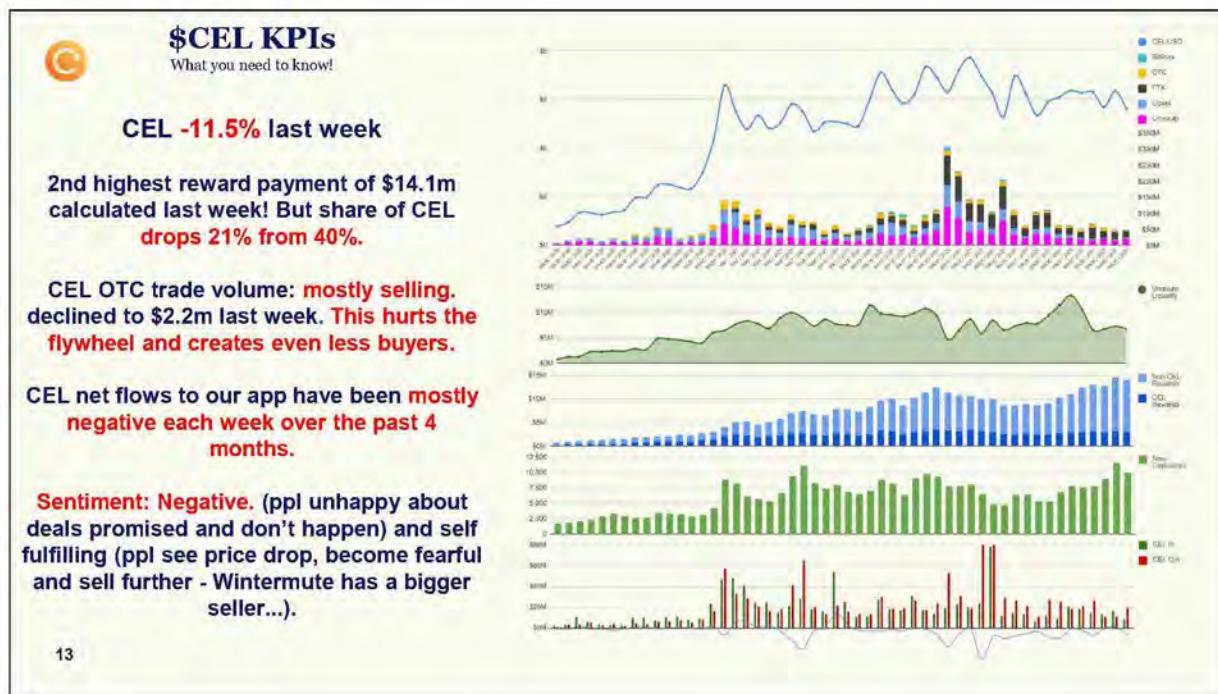


Over the last 2 weeks we've seen a big influx of first time transfers, many of them from past registration cohorts [we won't see the right hand side of the green go up, but the plaque was reduced during this period]

A combination of external and internal factors that we've mentioned already → but we need to see if this trend continues or was just a blip of big converging events.

ADA, blockfi, market run ups, 1M+ and other trust transfer points





We could add further utility to the CEL token by providing added benefits should people hodl the CEL token.

Being in the top 10 list will boost our companies new depositor growth due to the "free marketing" by appearing in the top 10 coins. (Most people check what the top 10 coins are)



Finance (CFO) – Yaron

Corporate Goal 2021

Finance Infrastructure	Goal: Smooth Move to US; IPO readiness; automated and reliable management & control Systems & processes (Clarity)	Update: Focusing on (i) new corporate structure functionalities due to leaving UK; and (ii) Clarity
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New Initiatives / Top Priorities This Week

- Work with Westcap's team; Closing July-Aug reports by Friday
- SPAC readiness
- Financial Position → critical mission
 - Continuance performance review / 'Coins & Wallet count' process
 - Clarity project / Automation
 - Derivatives accounting
- Tax and Corporate financing planning - finalizing
- Budget - Operation // Bizdev // Finance effort

Highlights from last week

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Finance (CFO) – Yaron

	31-Jul-21	7-Aug-21	14-Aug-21	21-Aug-21	28-Aug-21	4-Sep-21
	6-Aug-21	13-Aug-21	20-Aug-21	27-Aug-21	3-Sep-21	10-Sep-21
Revenues						
Retail lending	429,752	436,995	446,997	456,888	465,270	472,010
Institutional lending	2,360,187	2,355,201	2,399,466	3,509,490	4,205,642	4,379,214
Exchanges: Bitfinex BOT	65,833	735,424	374,493	334,724	403,324	444,002
Exchanges FTX						
Exchanges Cash and Carry	236,016	1,018,161	1,459,121	1,032,320	1,994,379	1,699,572
Trading/spread	14,099,765	5,361,956	5,180,879	1,996,450	7,802,339	(11,155,741)
KeyFi						
DeFi (old)						
DeFi (New)	5,901,718	2,118,874	2,630,029	2,864,276	4,034,129	980,044
Yield Farming						
Staking	953,068	1,212,642	1,439,291	1,354,193	1,072,507	1,160,572
OTC net inflow/outflow	104,965	5,746,523	(5,036,962)	3,862,279	(2,854,405)	1,844,594
Sale of Cel Tokens from Treasury	1,456,811	1,561,575	1,575,066	1,453,449	–	–
Mining	3,608,573	4,118,637	3,997,175	3,044,196	3,680,137	3,773,887
Equities	128,630	349,189	20,692	52,788	(4,488,375)	(3,820,887)
EMM	320,312	538,559	494,639	488,281	321,224	(214,688)
Total Revenue	28,485,580	25,655,736	17,433,886	21,349,335	16,637,171	(426,632)
COGS						
Rewards	(11,508,467)	(12,399,012)	(13,101,894)	(12,783,747)	(14,532,223)	(14,056,750)
Borrowing costs	(1,403,151)	(1,306,918)	(1,405,616)	(2,582,190)	(2,477,843)	(3,814,851)
Gross Profit	15,573,982	11,947,807	7,927,376	5,985,475	(372,894)	(18,300,033)

	35.75	31	17	5.69
GBTC	€196	€196	€196	€196
Originally Purchased	12,195,830	15,584,006	887,358	943,300
Already sold	1,488,355	11,914,517	510,503	943,300
Greyscale Available (Net pos)	11,811,475	1,660,480	376,765	0
Greyscale Available	1404,194,731	551,754,159	\$6,409,515	50
Greyscale Fee (in the bank)	11,312,475	1,669,489	343,854	347,210
Greyscale Fee \$	5404,194,731	551,754,159	\$2,415,518	\$1,975,626

Borrow undeployed Collaterals updated Sep 14					
Lender	Amount	Weekly interest \$	APR%	Collateral \$	LTV
Tether International	1,986,580,000	2,297,435	5.98%	2,869,227,228	1.44
Equities First Holdings				607,394,530	
DeFi	1,265,856,177	1,118,814	4.60%	3,032,264,282	2.40

CEL TOKENS					
Week:	14-Aug-21	21-Aug-21	28-Aug-21	4-Sep-21	10-Sep-21
Week:	20-Aug-21	27-Aug-21	3-Sep-21		
Deployed (FTX)	43,344,713	33,801,340	33,359,196	33,352,196	
Deployed (OCW)	0	0	0	0	
In USD	\$255,580,512	\$189,187,503	\$206,793,613	\$180,101,856	

Revenues - Deployment - Roni

Corporate Goal 2021

Coin Deployment	Goal: 2.8% marginal yield on community assets	Status: BTC: 86.23%, ETH 91.3%, stables 95%
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New Initiatives / Top Priorities This Week

- Setting a limit for Tether loans (defi spiking rates)
- Waterfall rebuilding - almost completed
- BETH (Ledger Prime as only option)
- BTC and ETH - new rates
- PMS
- Alternative accounts on CeFi
- Deribit deployment

17. • FTT Deployment

People Update: How are you integrating them into your team/firm?

- Frank's onboarding
- Rebuilding OTC team
- Comp structure completed, kicking off structure for the teams (Frank and Gerrit completed)
- Australian Traders
- Adeel's hirings



Category	USD amount [Millions]	% of AUM	APY %	COFA %	NIM (with collateral)
Posted Collateral	\$7,098	31.40%	0.19%	0.00%	0.19%
Institutional Loans	\$3,361	14.87%	7.03%	7.28%	1.33%
Defi	\$2,362	10.45%	7.64%	4.26%	3.38%
Exchange	\$2,014	9.03%	4.03%	4.03%	0.00%
Staking	\$4	0.02%	0.59%	4.23%	-3.64%
Retail Loans	\$616	2.72%	4.14%	10.86%	7.14%
Mining	\$266	1.18%	30.00%	8.65%	21.35%
EAM	\$290	1.28%	6.58%	6.05%	0.53%
undeployed	\$2,552	11.29%	0.00%	4.31%	-4.31%
CEL Users	\$1,642	7.26%	0.00%	3.65%	-3.65%
CEL Treasury	\$1,514	6.70%	0.00%	0.00%	0.00%
Trust	\$609	2.70%	0.00%	3.52%	-3.52%
Other	\$22	0.10%	0.00%	9.97%	-9.97%
Total	\$22,605	100.00%	4.14%	3.06%	1.08%
	Collateral value [M USD]	Collateralization Ratio	TP Annual Income	TP income / Collateral	TP income / loan
Retail Loans	\$2,185	354.81%	\$85.38	3.91%	13.87%
Institutional Loans	\$2,730	70.00%	\$61.41	2.25%	1.57%



Institutional Lending

Lending Book	9/8/2021	16/8/2021	23/8/2021	6/9/2021	13/9/21
Total Lending \$S Value	\$2,093,564,599	\$2,359,059,907	\$2,814,159,766	\$3,216,417,192	\$3,252,630,257
Avg Rate	6.29%	6.28%	6.50%	6.90%	7.62%
Total Collateral \$ Value	\$1,042,506,991	\$1,138,550,583	\$1,423,785,117	\$2,113,576,395	\$2,250,820,556
Avg Collateral %	49.80%	48.26%	50.59%	55.71%	59.20%
Avg size \$S	\$9,559,655.70	\$10,626,395.98	\$11,389,359.38	\$12,046,506.34	\$11,784,892.24
# of loans outstanding	219	222	247	267	275

Exchanges

- **\$700m CnC**
 - +\$1.7m
 - Sa-Mo +\$1.7m (avg APY 33%)
 - Market down 20-25% & OI 25% down
 - Tu-Fr +-0 (APY -15% to +15%)
 - Stabilized end of week at levels last seen @ BTC \$37k
- **Swing Trades**
 - -\$11m last week
 - LONG1 bleeding, mostly ETH
 - Less opportunity / more risk management
- **Bitfnex (\$400m)**
 - +\$444k last week
 - Huge LUNA return, rest calm

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Defi Analysis

	Last Week PNL	Average of Previous 5 Weeks PNL	Difference	Comment
All defi wallets	\$980,044	\$3,081,182	-\$2,101,137	
YD - Curve - stETH	\$144,434	\$1,164,527	-\$1,020,094	Depegging
OmniMan1	\$25,174	\$773,720	-\$748,547	SNX
Yield Desk - Badger	\$72,531	\$391,347	-\$318,816	
YD - Convex - LUSD	-\$157,667	\$11,994	-\$169,661	
YieldDesk_Main	\$71,643	\$173,286	-\$101,643	
YD - AlphaHv2	\$48,075	\$143,652	-\$95,577	
YD - Curve - sETH	-\$79,898	\$10,458	-\$90,356	
YD - CONVEX - PBTC	\$26,631	\$76,691	-\$50,060	
YD - CONVEX - OBTC	\$129,591	\$73,226	\$56,366	
YD - Curve - hBTC	\$166,921	-\$5,291	\$172,213	



Revenues - Corporate Development - Roni

Fundraise

- Westcap's convertible note signed and funded
- CDPQ - DD completed except for retention of key persons. Investment committee tomorrow.
- Work with Deloitte and advisors (Larry and Jeff) will gear up this week

Mining

- EL with Citi - Signed. PR is with the agency.
- Separating entities and management - in process
- Hiring CFO & CTO - two candidates in final stages of negotiation. Comp advisor to be onboarded.

M&A

- **GK8** - moving to stage 2
- **Bittrex** - irrelevant

Strategy and New Products

- Analysis under the assumption no earn product
- Plan built by Roni, Amir and Oren
- Separation between institutional, accredited and retail clients
- Robinhood model (rehypothecation against no fees)
- To be presented to Alex, Daniel, Nuke and Nir next week
- Licensing kicked off (MTLs, Lending, Financial Advisor and BD)
- Building the accreditation team/alternatives

Partnerships

- Paxos - engaging with NYDFS
- Revolute - signed



Retail Lending - Aliza

Retail Lending	Goal: 25% of AUM	Update: \$628 Million \$2.3 B in Collateral
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Corporate Goal 2021

\$1B in Loans by EOY
\$3B in collateral by EOY
50,000 Loans

New Initiatives / Top Priorities This Week your team/firm?

- \$100 Minimum - next Thursday
- Liquidations/Clean our book
- Requesting guidance on Jira
- Stuck on Promo Codes

People Update: How are you integrating them into

Absorbing compliance work means we need to do another round of hiring.
Also need to expand VIP team



C Retail Lending - Loan Book Overview

Current Book 09/02/21

Originated: \$628 M
Loan Count: 31,300

Collateral Value: \$2.3 Billion
Book LTV: 26%

Change from last week

New Loan S Net: \$14 Million
Change W/W: -20%

New Loan Count Net: 1114
Change W/W: +5%

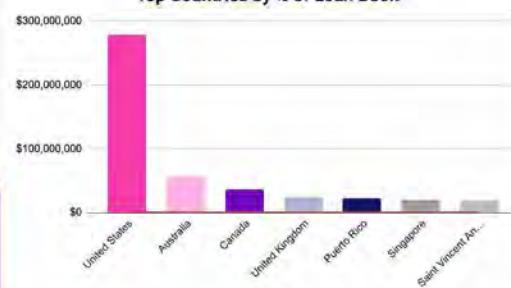
LTV Overview

25% LTV - 57% of the book
33% LTV - 9.4% of the book
50% LTV - 33% of the book

New Loans

Of the 1,985 new loans originated last week:
4% were from new users
31% were from new borrowers
65% existing borrowers

Top Countries by % of Loan Book



C Retail Lending

Weekly Loan Opening & Closing in USD



Trends

Increase in closures the moment the market goes down and margin calls go out.

95% of the book is BTC, ETH or CEL

-BTC - 55% of the book
-ETH - 22% of the book
-CEL - 15% of the book

C Retail Lending - Initiatives/Projects

PAID ADS	POR/COMPLIANCE	SYNTHETIC LIQUIDATION
1) <input type="checkbox"/> Redacted 2) Budget	Working on training and guidance for lending team to do first layer of POR approvals rather than compliance. Training: Next Wednesday	The MVP has launched. Will be using to clean up our books.
REFERRAL PROGRAM	CALIFORNIA LAUNCH	NEW PRODUCTS
Outstanding: new contract, program manager, tracking software. 'Beta' test mid september with a friendly.	Hired project manager, evaluating agencies, working on live event with Tal for Oct 1.	With initial MAMBU flow closed, time to commence scoping new offerings. These will all get stuck without front end flexibility.

PRESENTATION TITLE

DATE

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C Business Operations Priorities & Progress (September 14th):		
Priorities	Status Trajectory	Comments
Program: Credit Card	↓	"Apply" - Lack of dedicated Engineering resources - Nuke addressing. "Use & Manage" - Estimation intake for WebApp. Decision to be made on Native App.
Program: BTC-2 (Swaps, Circle, etc.)	→	Swaps - [Blocked by lack of Winternute contract] Internal Celsius company launch (in available US jurisdictions) - with employees gated over September Week 9/26 - First wave of 100 Platinum CA Customers, then ongoing conversation with Risk about scale of BETA. Roni to guide on National & International launches.
Program: BTC-2 (Swaps, Circle, etc.)	↑	Circle - Project Kick Off. [Blocked by lack of Winternute contract]
Program: Function Building: Investment Ops (Middle/Back Office)	↓	Investment Ops - HRBP addressing. Transitioning to Business as Usual.
Program: Function Building: Corporate / VIP	↑	Waiting on Headcount approval.
Program: Function Building: Data	↑	Data - HRBP addressing. Transitioning to Business as Usual.
Program: Function Building: Product	→	Agreed on organizing principles. Post-Holiday next steps to socialize changes.
Foundation Stones: a. SOPs b. Policies	→	Resource constrained - SOPs: Ongoing Policies: Designing Template with Legal, Compliance & Security [30th September deadline].
Firefighting: a. Due Diligence Support b. GK-8	↑	Due Diligence Support: Ongoing support where needed. GK-8: Initial Technology Due Diligence Completed [Green Light]. 1 Key Strategic risk identified and mitigated

↑ On Target, trending positively

→ Unresolved issue damaging / significantly slowing the project

↓ Underlying issue significantly damaged the project

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GK8 Update (September 14th):		This Weeks Deliverable	On Target, trending positively
Workstreams	Status Trajectory		
Tech	↑	<ul style="list-style-type: none"> Clearly Defined Post Acquisition Operating Model (with HR, Business Workstreams) Detailed product roadmap and 100 day workplan Engineering management plan (i.e., RACI of who owns / manages what) 	
Finance	↑	<ul style="list-style-type: none"> Finalized P&L Model Budget for 100 day workplan (in coordination with Tech, Business, and HR workstreams) Tax structure analysis 	
Legal	↑	Redacted	
Business	↑	<ul style="list-style-type: none"> Input on post-acquisition workplan and operating model Suggestions for key KPIs and milestones aligned with strategic goals of Celsius core 	
HR	↑	<ul style="list-style-type: none"> Review of employment contracts + mapping of rewards / compensation (with Shiran) Assessment of timeline / capacity / headcount needs to integrate GK8 Run process for identifying key personnel to lead business (on GK8 side), to lead integration (on Celsius side), and to ensure progress against tech roadmap (internal to GK8) Redacted 	
Ops	↑	<ul style="list-style-type: none"> MIDL to follow up with Nuke to give input into Names to be attached to PMI project Refine PMI plan for additional areas of work (e.g., determining RACI / governance, comms planning, etc.) Clean up timeline & roles and responsibilities for the first 100 Days Determine location for all key stakeholders / employees Determine org structure & process for key personnel 	
Risks	↑	<ul style="list-style-type: none"> Largest custody based risk mitigated 	27



Operations Priorities & Progress (September 13th):

Priorities	Status	Progress
Program: OCTOPUS	Amber	Finance, Security & Partnership updates went to leaders last week Pending leader feedback - DeFi, People, Lending, Product, & Partnerships Additional changes to Security & Finance to go to leaders this week. Meeting with Risk this week to finalize Customer Care complete, results with Daniel
Insurance	Amber	de-SPAC D&O - Updated project information and timeline to Amir this week Cyber - Lockton has talked to markets, no questions at this time - next step prep for underwriter call Computer Crime- application questions to functional departments. Non-Payment Credit Default - follow up with Legal this week on next steps Professional liability/E&O Working with Lockton on how to prepare application for crypto business Captive - most likely use in near term for us would be Professional Liability if we can't get it in retail commercial market
DD Packages	Green	Need to revise deck to remove language that is non-compliant and get additional guidance on required updates.
Offices	Green	Cyprus - concerns from landlord about our desired upgrades received. No actions to be taken until written consultant report received and reviewed by me and Legal. Las Vegas: Lease negotiations pending final sign off from landlord, expect completion this week Hoboken: Following up this week regarding our counterproposal. Serbia - Search for commercial real estate broker. Compiling data on needs for new office to set site selection criteria. Engaged consultant for local Health & Safety policies (partner with HR) NYC - Brookfield has re-listed the property

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Investment: 7

Customer Care: 5

Compliance / AML: 8

IT / Security: 3

Partnership: 2

Ops: 1

Risk: 4

Big Challenges for these projects:

Resource allocation at the function level and within Ops.

Dependency on Policies being created and signed off before SOPs established.

Dependency on Technology being implemented and configured before SOPs established.

Pending final sign off/approvals from various key stakeholders.

NOTE: The Policies project emerged from the SOP project to cope with the dependencies.

To be clear, these are not "Completed" because a large number of them are pending approval.

Odette's strategy (which I agree with), is to get all of the critical SOPs documented and then do a 1hr meeting to get them all approved by the relevant stakeholders in one go.

Customer Care

6. - 12. September 2021

- Untouched Tickets: 5,200
- Pending Tickets 625
- OnHold Tickets 1,902
- One Touch Quote: 77.9% (+ 5.1%)
- First Reply Time: 5.4 hrs (- 8.5%)
- Full Resolution Time: 24.4 hrs (+ 15.6%)

Total New Tickets September: 23,235

Tickets (06.09.-12.09.) vs. to the previous week

- Created Tickets: 13,264 vs. 16,388 (- 19.0%)
- Internal Comments: 4,996 vs. 5,325 (- 6.2%)
- Answers Sent: 11,264 vs. 12,337 (- 8.7%)
- Solved Tickets: 10,596 vs 12,106 (- 12.5%)

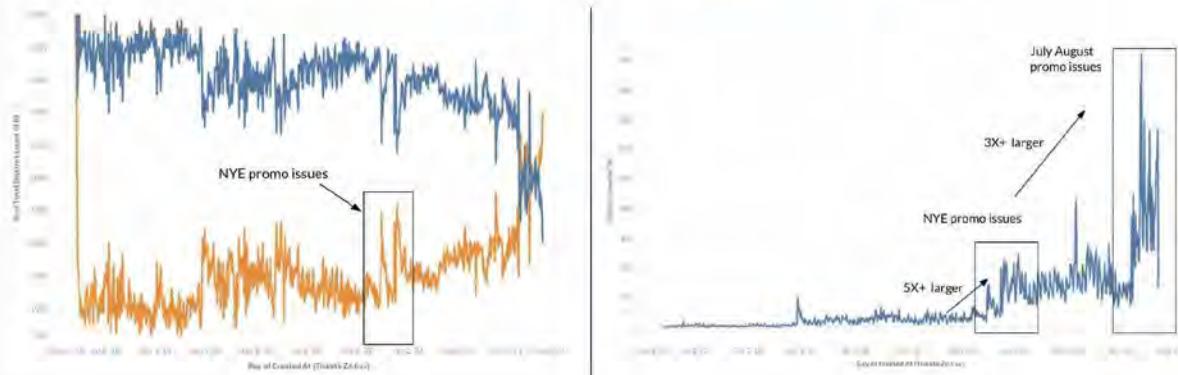


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Decreasing tickets by 19% to previous week. (Peak reached)
 One Touch Quote and First Reply Time stable. Increase in due to raising OnHold Tickets

Customer Care

Support Tickets about Promo Codes and Referral Codes



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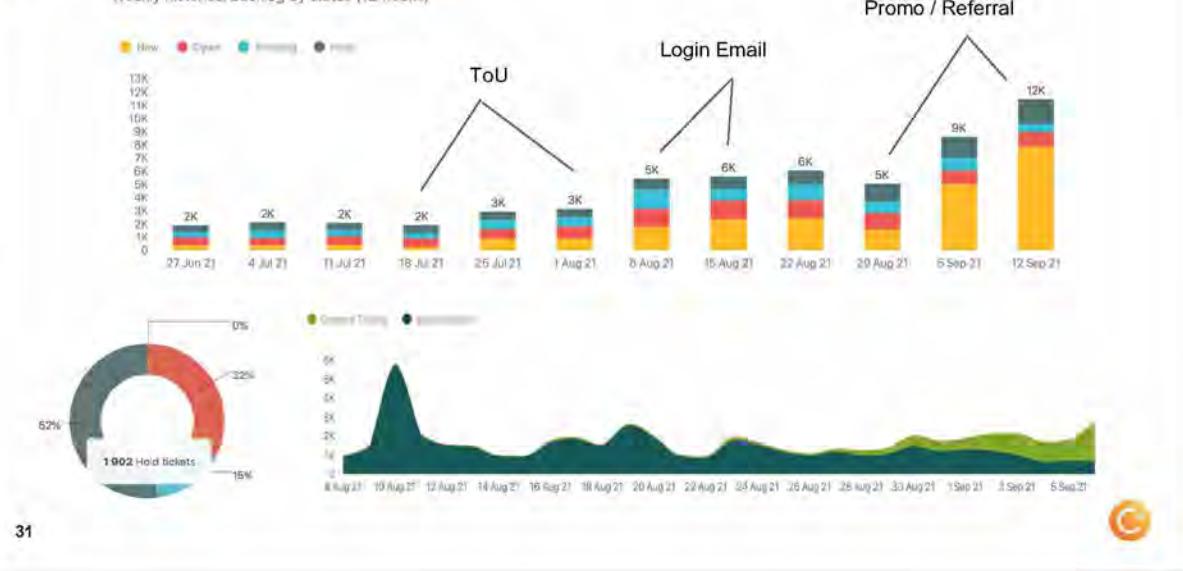


70% of tickets due to promo and referral Code.

Process changes within the next 1 week to decrease handling time. Weekly meeting with Marketing and Dev team to avoid miscommunication with customers in publications. creating a more advanced alert system to activate red flags before backlogs starting.

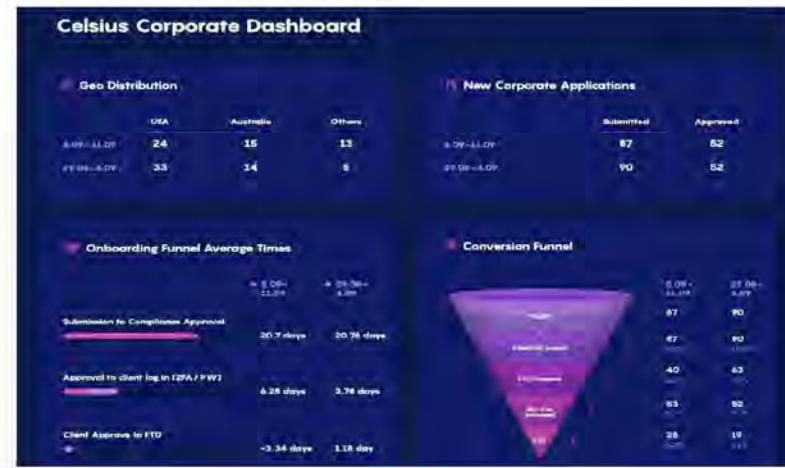
Customer Care September 2021

Weekly historical backlog by status (12 weeks)



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Increasing backlog due to longer handling time. increasing OnHold tickets. Process changes within the next 7 days to decrease numbers.

**Corporate and VIP (September 13th):**

Fun Fact: Currently 1609 clients have the direct number of their Corp & VIP Account Manager. These clients represent Total Deposits of \$4.5 Billion, or 20% of our AUM.

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New Applications :

New Corporate Applications for the week : 87 (down slightly from previous week, which was 90)

Corporate Applications approved within the week : 52 (exactly same as previous week)

Team :

Team stable at 8 account managers (2 UK, 3 US, 2 Israel, 1 Cyprus). Hiring plan submitted/approved

Interesting accounts :

Finter - Finter is the crypto arm of Exness, one of the largest CFD brokers in the world. Most likely this will be a deposit account only and they are discussing putting \$50m with us.

EToro - Engagement with the client via Cyprus office. Initial call done with Lending (Kenny Huang), but this account will most likely touch all remaining client-facing teams (BD & Partnerships), given the nature of their business.

Bhutan Sovereign Wealth Fund (mentioned previously) - Still on track / engaging with us regarding onboarding.

CoinMeester (mentioned previously) - We are working with Partnerships. Follow up call at 12noon UK today. As a reminder they are dissatisfied with Nexo and have \$200-300m with them.

Tagus - Working with BD on this client. They will open a holding a/c and a trading a/c and are discussing a notional of \$15m

Large Withdrawals :

Large WD - we continue to process many WD over \$150k, including on weekends, with no client complaints

Other :

Antony recorded a panel discussion yesterday at Eurofinance (part of The Economist) Corporate Treasury Conference. A virtual event which attracts 4,000 Corporate Treasurers. "What treasurers need to know about the future of Crypto" was the title alongside the CEO of Genesis and Head of Digital Assets for Goldman Sachs.

Zach Wildes attended Bitmain conference and Gabriel Podolsky (NY) will join other Celsians this week at the NY DAS conference (14/15 Sep)

Technology / Product – Nuke

Corporate Goal 2021

Priorities:	Goal:	Updates:
1. Reorg to support tech/product - hiring, onboarding, MVP, ... 2. Strategic infrastructure - APIs, Mambu, DeFi/CeFi bridge 3. Infrastructure - harden the system against systemic risks security, Fireblocks, AWS, etc. prepare for flood of users/assets (QA, Devops)	1. ~100 devs in the next few months 2. Devs portal + API 2.0 3. Transition to Mambu before year end 4. DeFi/CeFi architecture + TBD 5. Devops and QA infrastructure	• Fireblocks Invoices (Daniel)

New Initiatives / Top Priorities This Week

- **Presenting next week** - [delayed] detailed plan on improving throughput of the tech department.
- **Release calendar** - will improve internal and external communications.
- **Budget** - working with Arik
- Implementing an organization methodology used by Spotify and Netflix
- Need 65+ more devs
- Need 16 QA
- Devops
- Hiring + onboarding + training - about 5 months to full capacity

People Update: How are you integrating them into your team/firm?



Tech Dept. Updates

September 6th - 12th (169 tasks):

Biggest features:

- Accredited Investors BO tables
- Sushi & 1inch
- Swap goes into alpha testing
- Large withdrawal engine - on staging

Next week biggest updates [Sep 13th - 19th]:

- Upgrading nodejs on Backend - expected systemwide downtime ~60min
- Enabling liquidation to end-users
- End-user creation on Partners API

You can track the progress of all next week's releases on the [Release Calendar](#).



Security - Nuke

Corporate Goal 2021

Zero Incidents	Goal: Zero significant and even medium severity incidents	
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New Initiatives / Top Priorities This Week

People Update: How are you integrating them into your team/firm?

- Sent Conferences & Travel guide
- Team working well. Some targeted hiring needed. 2-3 people.

Highlights from Last Week

- Keep in mind that zero incidents doesn't mean 0 attempts or risks. Next event is coming. Keep vigilant and focused.



Risk Management – Rodney

Corporate Goal 2021

"Right-Size" Risk-Taking	Goal:	Update: will discuss strategies to manage valuations of publicly-traded mining companies working with Coin Deployment on tactics to enhance liquidity to offset margin calls
Increase Inst'l Credit Approvals	Goal: Above \$2Bn, now >\$3Bn	Update: Established \$100MM limit: Falconx; Increased Nascent LP to \$20MM Three DDs scheduled this week

New Initiatives / Top Priorities This Week

your team focus?
<ul style="list-style-type: none"> • Workout EFH loan - <ul style="list-style-type: none"> ◦ Negotiating MLA terms and conditions ◦ Considering dynamic hedge strategy tied to BTC price • Remediating USDT depeg & funding risks <ul style="list-style-type: none"> ◦ Treasury: Diversify DeFi borrowing e.g. USDC, DAI ◦ IT: Fix put on hold until broader fix is enabled • JTreutler's exchg activities: Limits reporting this week awaiting proposal re: larger CnC strategy

People Update: How are you integrating them into

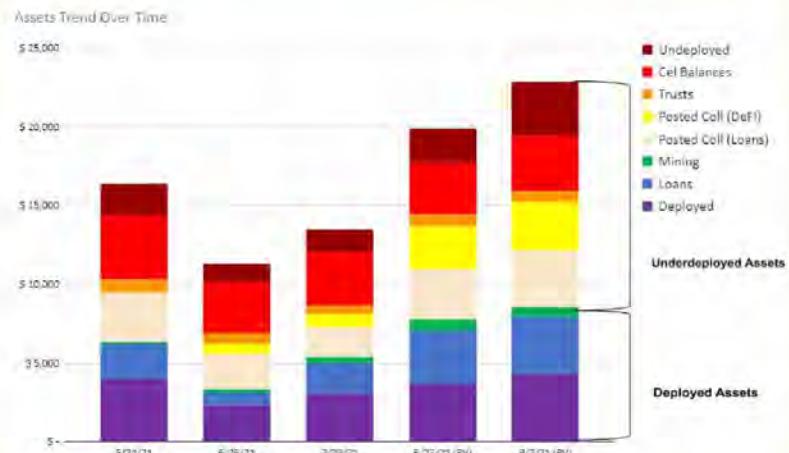
Final discussions underway for Head of Market Risk
<ul style="list-style-type: none"> 10 FTEs + 1 Sr OpRisk (Oct) + 1 Model Validation (Oct) + 1 Credit (Oct) + 1 Liquidity/Analytics (Nov) + 3 Mkt Risk (Sept, Oct, Nov) <p>= 17 FTEs</p>

Highlights from Last Week

- Mining: Executed 475 BTC collar hedge (out of 300BTC proposal)
- EFH: lawyer proposed repayment schedule on #3: 850 BTC



Assets: Deployed and Underdeployed

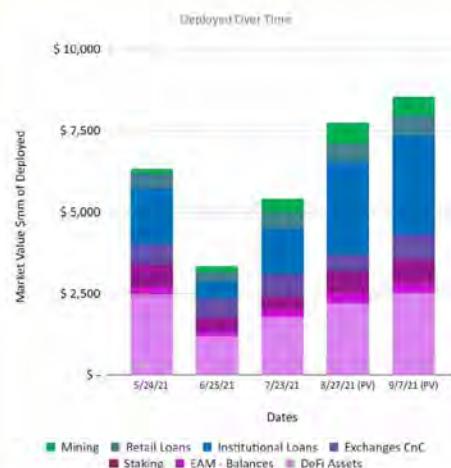
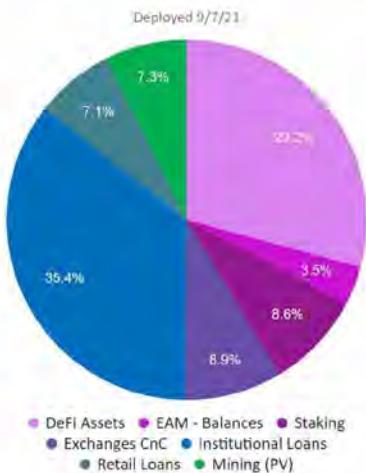


37

Mining values prior to August are invested amounts; August and onwards are PV of forward production
 BTC and ETH posted as collateral to EFH is treated as collateral, not as an institutional loan



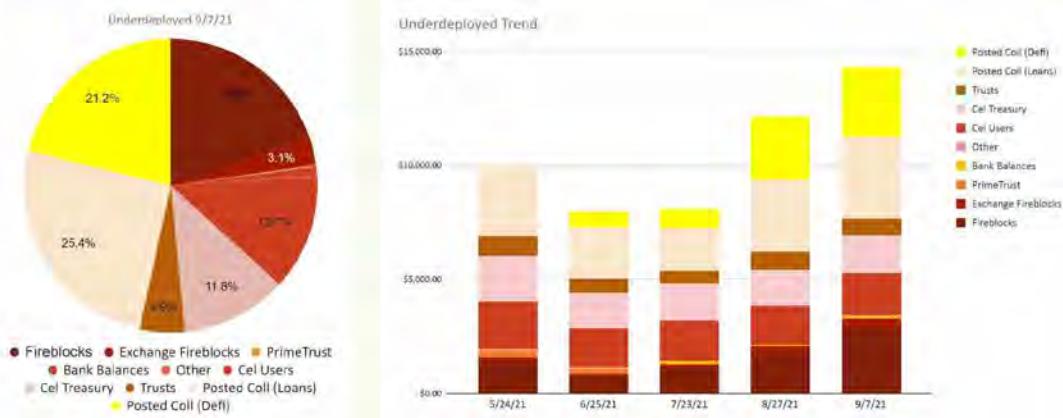
Assets: Deployed



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Mining values prior to August are invested amounts: August and onwards are PV of forward production
 BTC and ETH posted as collateral to EFH is treated as collateral, not as an institutional loan



Assets: Underdeployed

BTC and ETH posted as collateral to EFH is treated as collateral, not as an institutional loan

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Human Resources – Trunshedda**Corporate Goal 2021**

HR: September 14th	Goal: Recruiting/Onboarding/Performance Management	Update: 13 New Hires This Week (20 Last Week) Headcount: 485 (Growth of 439% YTD)
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New Initiatives / Top Priorities This Week

- **Learning & Development**
 - Review Management Development Training (MDT) content with Employee Experience
 - Prepare to collaborate with HRBPs for final course recommendations.
 - Facilitate MDT course early Q4
 - 30-60-90 Day Surveys created and launched as of 9/10/21
- **Total Rewards**
 - Finalizing Equity Plan rollout as follows:
 - Plan documents and agreements
 - Administrative platform (Carta)
 - Employee grant type
 - Employee data
 - Finalizing Serbia payroll for September go live
 - Preparing for Q3 Cel Token distribution
- **Talent Acquisition (Recruiting)**
 - Onboarding additional agencies to support ambitious growth in tech
 - **Redacted**
 - **Redacted**

Highlights from Last Week

- TA - 125 Positions open and actively being sourced; 4312 Applicants; 550 Candidates Interviewed; 13 Positions Filled since last week.

People Update: How are you integrating them into your team/firm?

- Current - 24 People Team Members + Dept. Head = 25
 - Talent Acquisition - 9
 - Future Hires - 4 (Lead and Recruiters-Search In Progress)
 - Total Rewards - 4
 - Learning & Development - 2
 - HR Operations - 10
 - Future Hire - 3 (Partner, Las Vegas Generalist, Serbia Generalist)

New Hires to People have two days of new hire orientation, including organizational and business overview, followed by 1:1 introductions and shadowing with the appropriate team members. Weekly 1:1 and team meetings as well as an onboarding partner are imperative for support during the first two weeks.

Yom Kippur Holiday - Israel Office closed on Wednesday, September 15th - Saturday, September 18th

40

ExCo Leadership 360 Survey Feedback was Due yesterday, Monday, September 13th



Human Resources – Trunshedda

ESOP-RSUs - Overview

Employee Populations:

- Through September 30, 2021 – All employees and long term contractors hired through September 30, 2021 will receive a grant
- After September 30, 2021 – Employees/contractors onboarded after September 30, 2021, will be evaluated for eligibility for a grant which must be approved by CEO.

Grant Types:

- Under the Celsius Network Ltd Omnibus Plan we will deliver 4 types of grants:
 1. Converted ESOP – ISOs for US and Section 102 for Israel for existing shareholders
 2. Non Qualified ESOP – For employees/contractors outside the US
 3. Section 102 ESOP – For employees in Israel
 4. RSUs – For US employees only, limited to this grant

Employee Details Summary:

- Awards based on 3 principles:
 1. Preserve existing grants/promises
 2. Leverage grade structure to ensure fair & equitable treatment on grants globally
 3. Maintain share allocation to allow for a reserve for future key hires
- Vesting for **new grants** will be 4 years with a one year cliff
- Going forward, shares allocated to termed employees will return to the pool

What's Next:

- Review recommended awards for employees with Department Heads
- Finalize plan documents
- Finalize employee grant recommendations
 - Department Head feedback
 - New hire eligibility assessment
- Communicate launch to employees
- Implement new equity award program

Timing

- Communications: September 23rd Internal AMA
- Target grant date: September 23rd
- Vesting will be recognized from employment date



Legal & Compliance– Roni

Redacted



CEO Office – Alex

Corporate Goal 2021

CEL Token to	Goal: \$10 dollars (Jan 2021)	Update: Use CEL as collateral
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New Initiatives / Top Priorities This Week

People Update: How are you integrating them into your team/firm?

CEL as collateral	CSCA – focus your team on the number one task
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Highlights from Last Week



Marketing / Analytics - Alex

Corporate Goal 2021

User Growth	1.5MM users by EOY	Updates
Free coins on books	\$1B in loans, \$3B in collateral by EOY	<ul style="list-style-type: none"> Registered users growth contracted by 23% v/s prior week

New Initiatives / Top Priorities This Week

September events:

- ❖ Block(works) Digital Asset Summit September 14-15
 - 10 staff attending
 - Celsius sponsored reception at the event
- ❖ iHeart Radio Music Festival September 17-18
 - 4 staff attending
 - Hosting the AMA live from Vegas WeWork
 - Hosting a lunch for Vegas employees
- ❖ Mainnet by Messari Conference September 20-22
 - 10 staff attending
 - Alex hosting a sponsored breakout session
 - Managing a Celsius booth
- ❖ NYC Celsius Community Event September 22
 - 7:00-10:00PM
 - 150-person event

People Update: How are you integrating them into your team/firm?

Highlights from Last Week

- 44. WSJ and MarketWatch mentions



What We Do Best

1% Loans



BTC -2

CC that pays Itself



Highest Rates

Celsius

Rewards Received

\$1,257



Celsius Sustainable Competitive Advantage to \$20B

Assignment	Owner
1. Wrapped tokens, BTC ETF leverage, @75% LTV to borrow any asset	
2. Cross chain liquidity and burn as a FED of cross chains	
3. Do internal settlement and instant credit to be faster & cheaper than all others - credit on all chains	Nuke
4. Use our \$4B CEL balance sheet to borrow productive assets/USD	
5. Financial systems overseeing and managing operational activities	Yaron
6. Stop bleeding money EFH, GBTC, CEL, under deployed	Yaron
7. Public-Reporting grade financial team & systems - supporting scalable growth	Yaron
8. Issue synthetic stable coin/DAI to dominate credit in DeFi - Terra.money	Roni
9. Hire away or buy startups for best talent to dominate industry - 50% DeFi	Roni/Trunshedda
10. CC that pays its own interest to bring to the masses - 1m new users	C

Top Projects/Goals Status Review - Snapshot

Project	Strategic Goal (2021):	Lead:	Status (one liner):
1. CEL Token to	\$10 billion by Jan 2021)	Alex	Use CEL as collateral for \$4B loans FTX Bitfinex Tether Maker AAVE
2. Community Pool Growth 2021	\$150bn = \$50bn crypto + \$25bn USD and stablecoin lending + \$5bn - Gold	Alex - retail Ronni - b2b	\$1bn USDT, \$63m USDC Insti/loans Gold - solving yield issue
3. Fundraising	\$250mil Debt + \$250m Equity	Ronni	Finalizing financials, starting to sign Investors on SFAEs, closed BTTF and DR should be opened by the end of the week. Objkt Instruments in Sweden and Israel
4. Coin Deployment	80%	Yaron	All 67.42% BTC 84.84% ETH 85.86%
5. Finance Infrastructure	Financial Position Dashboard automated...	Yaron	Infrastructure improvements slow w/ Hedgeguard multi-project; Mambo in the long term. Basis for enhanced data-driven financial and risk decision making processes
6. Retail Lending	1 Billion Loans, 3 Billion Collateral HAPPY CUSTOMERS	Aliza	\$286m in active loans!!!!
7. People	Recruiting the best talent to support growth; Engaged culture	Trishneshda	20+ New Hires Onboarded this week (7 Hires Last Week)
8. Customer Service	One Touch Service	Daniel	1.73 Agent Touches per Ticket. First time ever below 2 touches per ticket
9. "Right-Size" Risk-Taking Increase Inst'l Credit Approvals	1st and 2nd v. of Risk Dashboard (RD) to \$2Bn	Rodney	

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Redacted



Closing Remarks

